



D4 Small Business Council Meeting Minutes

DATE: August 21, 2018

TIME: 1:00- 2:30pm

LOCATION: District 4, Executive Conference Room-15-240, 111 Grand Ave., Oakland, CA

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| <u>D4 CALTRANS STAFF:</u> Dan McElhinney CDDD Bob Finney DDDDC Lenka Culik-Caro, DDD Design Damien Harris, Business Mgmt. Ayanna Nobles, SBP Ali Taheripour, Construction Francisco Padilla, Consultant Services Leah Badu, CT Maintenance Stan Ng, CT Maintenance Khalilah Smith, SBP Derek Sampson, SBP <u>HQ/AGENCY STAFF:</u> Mario Solis, OBEO | <u>MEMBERS (Present/Absent)</u> Arvin Chaudhary (P) Diana LaCome (A) Eddy Lau (P) Frederick Jordan (A) Paul Guerrero (P) Peter Ramirez (A) Shari Tavafrashti (A) Danny Garza (P) | <u>REPRESENTING</u> ACEC CA NCA AAAE SFAACC La Raza Roundtable SDVOC WTS M.A.P.A |
| | <u>ALTERNATES (Present/Absent)</u> Anthony DeVenuta (A) Charissa Frank (A) Dr. Caesar Churchwell (A) Ellen Lee (A) Miguel Barragan (A) Raewyn Butcher (A) Victor Garza (A) | <u>REPRESENTING</u> SDVOC WTS SFAACC AAAE NCA ACEC CA La Raza Roundtable |
| | <u>GUESTS:</u> | <u>REPRESENTING:</u> |

Item #1: Introductions

Chief Deputy District Director, Dan McElhinney, welcomed everyone to the August meeting on behalf of Tony Tavares, the new District 4 director and informed the council that the director's absence was due to a prior engagement in HQ. Mr. McElhinney thanked the attending Council members for coming and spoke on the importance of the small business program. Mr. McElhinney lead us through the agenda.

Item #2: Approval of Minutes

Meeting minutes approval tabled until later when all attending council members arrive to quorum.

Item #3: District 4 Updates

Construction Update:

Mr. McElhinney introduced, Mr. Bob Finney who presented the Construction report. Mr. Finney reported that there are 7 *Advertised and Upcoming Projects*, totaling approximately \$14M. He reported that there is 1 project *Currently Awaiting Award*. This project has a high dollar value, project 04-155001 installation of a fiber optic communication system between Caltrans HQ 111 Grand to Carquinez Toll Plaza valued at \$31M. He mentioned that 2 bids received to date are higher than the estimated project cost, \$57M, this project is currently under review as to how to proceed. Under *Projects Awarded*, he mentioned there are 6 projects valued at 21M. All are exceeding DBE – DVBE goals except for project OP6801, Ghilotti Bros. Construction which had a DBE goal at 12% but was certified at 6.33% DBE. Under *Projects Ready to List but Not Funded for Advertisement Yet*, Mr. Finney reports there are 31 projects valued at \$244M. Project 07-325701, out of District 7 is valued at 25M. He also mentioned project 4G5601, north of Rio Vista and two other projects 4G1131, 151481 that are both ramp metering projects. Mr. Finney reported information about upcoming CMCG projects not listed on the report. The San Mateo 101 express lane project is currently in design phase with the possibility of early phase work. This project has multiple DBE outreaches planned to ensure the project has enough DBEs to do the work. Mr. Finney asked the council to assist in these outreach efforts.

Maintenance Update:

Mr. McElhinney introduced Mr. Stan Ng who provided the Maintenance report. Mr. Ng reported there are 2 reports reflecting Fiscal Year (FY) 17/18, and (FY) 18/19. He reported FY 2017/18 there were 24 contracts on the *Director's Order Force Account/ELB* that totaled approximately \$64M. He explained that 10% awarded to SBE, 90% to Non-SBE, He explained that the yellow highlights were updates since the last meeting. Line 21, project # 1Q3804 which was awarded to Yerba Buena a SBE. Mr. Ng reported on the *District Director's Orders Force Account*, contracts approved at the District level, there are 21 contracts totaling \$5.8M. 58% were awarded to SBEs, 42% to Non-SBEs. He explained that there were no new updates since the last meeting to report. Mr. Ng reported F/Y 2018/19, there are 3 contracts on the *Director's Order Force Account/ELB* that total approximately \$15.8M. He explained 22% awarded to Non-SBEs, 78% not yet awarded. He reported the *District Director's Orders Force Account*, contracts approved at the District level, for F/Y 2018/19, are 2 contracts totaling 628K, with 50% awarded to SBEs, and 50% not yet awarded.

Design Update:

Mr. McElhinney introduced Ms. Lenka Culik-Caro who presented the Design Report. Ms. Culik-Caro reported 6 *Proposed Minor B Projects for Small Businesses, FY 2018/19*. She reported project 1Q320, San Mateo 101 modification of existing luminaires and project 1Q910 State RT. 12 Rehabilitate Channel city of Rio Vista, being done by her staff. She explains lines 3-6 are small Maintenance projects, 0P080, 2Q120, 2Q130, 2Q270. She reported all 6 are Caltrans District 4 projects and each project is under the Minor B threshold of \$314k and must be delivered by February 2019.

Ms. Culik-Caro followed up on [Action Item #2018-05] State-Wide Dollars vs. District 4 regarding the Minor B program. She explained the amount of funding for Minor B projects set by Headquarters for the entire State varies year to year, last two years the budget was 150M. She further explained how the funds are disbursed based on three criteria; Lane Miles, Small Business Participation, and Performance Delivery. District 4 received 17M. this year which is the highest amount given

throughout all the districts. Ms. Culik-Caro explained how increasing District 4 funding for Minor B projects depend on allocation of project funding, and if all three criteria are met. The council was satisfied with her answer and the action item was closed.

A&E Update:

Mr. McElhinney introduced Mr. Francisco Padilla to provide the A&E Report. Mr. Padilla reported on the 15 *Recently Executed A&E Contracts* valued at \$52.9M. He mentioned that 10 of the contracts were awarded to Calmentor Members and 3 contracts awarded to DBE's; projects 04-A4995, 04-A5420, and 04-A5483. 1 contract; 04-A5045 awarded to a DVBE, 2 contracts; 04-A5045, and 04A5324 with SBE and DVBE goals. He reported 1 contract 04-A5324 is funded with SB1 funds. He reported there were 14 *recently executed Non- A&E Contracts* valued at \$47.7M. He mentioned that 10 contracts have been awarded to SBE Primes, 3 contracts 04-A4865, 04-A4866, and 04-A5390 awarded to DBE Primes. 5 contracts reported to have 100% SBE goals. Mr. Padilla reported there were 7 *Upcoming New A&E Contracts*. 4 contracts have completed the advertisement phase waiting execution of contract. 1 contract 04NEW555-18 was advertised in July 2018, and contract 04NEW556-18 was advertised in August 2018. The last contract 04New557-18 will be advertised in October 2018. He stated the contract manager is organizing an outreach on September 27th, 2018. This outreach will be held in District 4. 111 Grand Avenue. He reported that there were 7 *Upcoming New Non- A&E Contracts*. One contract 04-NEW550-18) has a 100% SBE goal. Mr. Padilla reported on the *Federal Funded Contracts identifiable DBE dollars*, he reported the total DBE goal is at 30.23%. He also reported on the *State Funded Contracts identifiable DVBE, and SBE dollars*, DVBE is currently at 19.58% and SBE is 35.74%. He concluded his report with an update on the Calmentor/Mentor-Protégé Program, 60 pairs: 59 Graduates with 1 active pair. He mentioned there are five pairings in process.

OBEO Update

Mr. McElhinney introduced Mr. Mario Solis to report the OBEO Update. Mr. Solis reported on the SB1 social media advertisement stating tweeter activities continue to go out every 4 days, in July 2018 more than 26,217 users saw the SB1 related tweets, the Facebook post have been suspended due to the California wild fires in northern CA. He reported OBEO is making a concerted effort to meet with business assistance organizations specifically with underrepresented business groups. He stated OBEO met with the California Hispanic Chamber of Commerce, the California Black Chamber of Commerce and the National Gay & Lesbian Chamber of Commerce, regarding way to increase business and contracting opportunities with the State. He informed the council that OBEO has embraced technology by completing three online training presentations - prime contractor, sub-contractor, and DBE eligibility certification. OBEO has posted these trainings on their web site for on-demand viewing. Mr. Solis reported on the completed Disparity Study report and public comment meetings for the FHWA/DBE program. He stated OBEO submitted goal and methodology report to FHWA on July 31st, 2018. FHWA – California Division has approved the report stating, "Legally Sufficient" this approval sets Caltrans overall DBE goal at 17.6 percent for federal fiscal years 2019-2021. He reported that OBEO plans to submit a DBE program waiver to FHWA, asking that Caltrans focus their DBE efforts on minority groups that are below parity according to the recent disparity study. Mr. Solis reported on the *DBE Supportive Services Contract (DBE/SS)* Program. He stated there are now contracts in place for the Northern, Central, and Southern regions. The business development program in each region is on track with a significant number of DBEs enrolled. Regarding the *On-the-Job Training Supportive Services Contract (OJT/SS)*

apprenticeship program, Mr. Solis reported the ironworker apprenticeship program has launched with its first (General) workers Monday August 20th, 2018. Regarding the *DBE, and DVBE Participation Totals*, Caltrans awarded 471 FHWA assisted contracts valued at \$2B. the overall DBE commitment is 14.29%, He stated 47 of the 471 contracts were awarded to DBE primes. Regarding the *SBE/ DVBE Participation* totals, He reported through the 2017/18 State Fiscal Year end. Caltrans awarded a total of \$1.7B. in state funded contracts and procurement. SBE participation 28.51%, and DVBE participation 4.92%. Mr. Solis was asked to request by the council that became action items. **Action Item #2018-08; Coordinate the passing of upcoming OBEO event information to Council member Danny Garza and Action Item #2018-09; Identify a speaker from the Division of Local Assistance to provide information regarding the tracking of SBE, DBE, and DVBE goals of SB1 Funds to Local Agencies.**

Tabled Item #2: Approval of Minutes

April 17th, 2018 Minutes: **Opposed:** None. Approved by consensus
June 19th, 2018 Notes: **Opposed:** None. Accepted by consensus

Small Business Update

Mr. McElhinney introduced Ms. Ayanna Nobles to provide the Small Business Update. Ms. Nobles reported since the last Council meeting, Small Business Program (SBP) has taken part in eight events, On June 19th, 2018, SBP facilitated OBEOs Disparity Study Public Forum. On June 21st, 2018 SBP in partnership with BART held an informational meeting to share upcoming contracting opportunities, District 4 Office Oakland. On June 28th, 2018 SBP attended the Bay Area Business Roundtable in Oakland CA. On July 11th, 2018 the SBP attended the District 2, Caltrans Labor Compliance Workshop in Redding CA. July 25th, 2018 SBP attended the District 10, Doing Business with Caltrans Workshop in Merced CA. July 26th, 2018 the SBP attended the California Hispanic Chamber of Commerce Procurement and Matchmaking workshop in Oakland CA. On August 2nd, 2018, the SBP co-hosted with OBEO a Doing Business with Caltrans event in San Francisco with the San Francisco African American Chamber of Commerce. Lastly on August 13th, 2018 the SBP attended DGS's public meeting, Notice of Proposed Rulemaking Affecting DVBE Incentive, Sacramento CA.

Item #4: Review of Action Items

Mr. Harris reported on the open Action Items. He reported there are three open action items. The first **Action Item #2018-05**, Ms. Culik Caro to follow up on the State-Wide Dollars vs. District 4 regarding the Minor B programs, the second **Action Item #2018-06**, Ms. Nobles to coordinate a meeting with Council member Fred Jordan and Mr. McElhanney for an outreach event in San Francisco. Which culminated into the event that occurred on August 2nd, 2018. The third **Action Item #2018-07** was to submit talking points to the Council members on the District 4 outreach events. All action items were closed.

District 4 Small Business Council Action Items as of August 21, 2018:

| No. / Starting Date / Assignee | | | Item Description (Originator) |
|---|---------|-------------------|--|
| #2018-08 Open | 8/21/18 | Mario Solis | Coordinate the passing of upcoming OBEO event information to Council member Danny Garza |
| #2018-09 Open | 8/21/18 | Mario Solis | Identify a speaker from the Division of Local Assistance to provide information regarding the tracking of SBE, DBE, and DVBE goals of SB1 Funds to Local Agencies. |
| Item #5: Action Items to be Referred to State Wide Council | | | |
| # SW-2018-01 Open | 4/17/18 | Francisco Padilla | To look back 5 years at DBE Primes, and SBE Primes to check the data base of the A&E selection list, as to the frequency of work given to the same sub-contractor. |
| #SW-2018-02 Open | 4/17/18 | Eddy Lau | Creation of question for State Wide Council, regarding the penalty for a Prime when using the 25% SBE getting the 5% preference then not meeting the goal. What are the penalties? |

Item #6: New Business

No New Business

District 4 Small Business Council Action Items as of June 19, 2018:

| No. / Starting Date / Assignee | | | Item Description (Originator) |
|--------------------------------|---------|------------------|---|
| #2018-05 Closed | 6/19/18 | Lenka Culik-Caro | Mr. McElhinney asked, if Lenka could follow up on the State-Wide Dollars vs. District 4 regarding the Minor B program, what is dist. 4 shares? How to increase the dollars. |
| #2018-06 Closed | 6/19/18 | Ayanna Nobles, | Coordinate a meeting with Council Member Fred Jordan and Mr. McElhanney, to set up an outreach event in San Francisco. |
| #2018-07 Closed | 6/19/18 | Ayanna Nobles, | Submit SBP talking points, to Council regarding Outreach events |

Item #7: Adjourn

Mr. McElhinney adjourned the August meeting and informed council the next meeting would be on Tuesday, October 16th, 2018

The D4 SBC meets every other month in the Executive Conference Room 15-240, 111 Grand Avenue, Oakland, CA 94612. Meetings begin at 1pm and run until about 2:30pm.

| 2018 D4 SBC Upcoming Meeting Schedule | |
|---------------------------------------|---------------|
| | October 16th |
| | December 18th |
| | February 19th |